



FINANCE COMMITTEE

MARCH 15, 2010

MINUTES

I. CALL TO ORDER

Chair Nancy Backus called the meeting to order 6:00 p.m. in Conference Room No. 2 located on the second floor of the City Hall Annex located at One East Main Street in Auburn. Chair Backus, Vice Chair Lynn Norman and Member John Partridge were present. Present during the meeting were Mayor Peter B. Lewis, City Attorney Daniel B. Heid, Finance Director Shelley Coleman, Human Resources and Risk/Property Management Director Brenda Heineman, Public Works Director Dennis Dowdy, Utilities and Accounting Services Manager Rhonda Ewing, Employee Relations and Compensation Manager John Fletcher, Human Services Manager Michael Hursh, and City Clerk Danielle Daskam.

II. CONSENT ITEMS

A. Approval of Minutes

1. Minutes of the March 1, 2010 Finance Committee meeting.

Vice Chair Norman moved and Member Partridge seconded to approve the March 1, 2010 minutes.

MOTION CARRIED UNANIMOUSLY. 3-0.

B. Vouchers

1. Claims F4.9.5

Claims check numbers 393075 through 393538 in the amount of \$3,457,947.83 and dated March 15, 2010.

2. Payroll F4.9.2

Payroll check numbers 528526 to 528614 in the amount of \$794,209.96 and electronic deposit transmissions in the amount of \$1,130,213.91 for a grand total of \$1,924,423.87 for the pay period covering February 25, 2010 to March 10, 2010.

Committee members reviewed the vouchers and briefly discussed voucher numbers 393466, 393526, 393534, 393075, and 393383.

Vice Chair Norman moved and Member Partridge seconded to approve the vouchers.

MOTION CARRIED UNANIMOUSLY. 3-0.

III. ORDINANCES AND RESOLUTIONS

A. Ordinances

1. Ordinance No. 6298

A3.5.5

An Ordinance of the City Council of the City of Auburn, Washington, amending Chapter 1.04 of the Auburn City Code - General Provisions relating to amendments to existing provisions

City Attorney Heid explained that the ordinance seeks to add a statement of intent that would indicate that a subsequent amendment to the code shall apply along with previous enactments or amendments unless expressly indicated otherwise.

Vice Chair Norman moved and Member Partridge seconded to approve and forward Ordinance No. 6298 to the full Council.

MOTION CARRIED UNANIMOUSLY. 3-0.

B. Resolutions

1. Resolution No. 4581

A3.17, A1.3.8

A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor and City Clerk to execute a Lease Agreement between the City of Auburn, Washington and King County Rural Library District, doing business as King County Library System

Human Resources and Property/Risk Management Director Heineman presented Resolution No. 4581 to the Committee. The resolution was discussed at the last Finance Committee meeting. The resolution approves a land lease with King County Library District for the Auburn library. It was recently discovered that the lease was not done at the time of annexation to the King County Library District.

Vice Chair Norman moved and Member Partridge seconded to approve and forward Resolution No. 4581 to the full Council.

MOTION CARRIED UNANIMOUSLY. 3-0.

2. Resolution No. 4583

A3.3

A Resolution of the City Council of the City of Auburn, Washington, urging the U.S. Department of Defense to select The Boeing Company to build the next mid-air refueling tanker

Resolution No. 4583 was added to the agenda.

Vice Chair Norman moved and Member Partridge seconded to approve and forward Resolution No. 4583 to the full Council.

MOTION CARRIED UNANIMOUSLY. 3-0.

IV. DISCUSSION ITEMS

A. Resolution No. 4576

F5.2

A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to execute a Local Agency Agreement between the City of Auburn and the Washington State Department

of Transportation relating to the South Auburn ITS Expansion Project

Public Works Director Dowdy explained that Resolution No. 4576 authorizes the execution of an agreement with the Washington State Department of Transportation to obligate funds in the amount of \$693,401 for construction of the City's South Auburn Intelligent Transportation System (ITS) Expansion project on 15th Street SW, 6th Street SE, C Street SW and A Street SE. The grant requires 13.5% matching funds which are included in the 2010 Budget.

B. Resolution No. 4579

O4.9, O4.5

A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor and City Clerk to accept grant funds in the amount of \$20,000.00 from the Washington State Utilities and Transportation Commission - Grade Crossing Protective Fund

Public Works Director Dowdy explained that Resolution No. 4579 authorizes a grant from the Washington State Utilities and Transportation Commission for backup batteries for the traffic signals at three at grade railroad crossings. The proposed back-up power systems will provide power to the traffic signals if there is a power outage and ensures the ability to maintain interconnection between the railroad signals and the City's traffic signals.

C. Resolution No. 4577

A3.16.6

A Resolution of the City Council of the City of Auburn, Washington, approving and ratifying an updated City of Auburn Flexible Benefits Plan

Director Heineman presented Resolution No. 4577. The resolution incorporates required Health Insurance Portability and Accountability Act (HIPAA) changes in the Flexible Benefits Plan appendix.

D. Resolution No. 4578

A3.16.6

A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor and City Clerk to execute an Interlocal

Agreement establishing Joint Resource Conservation Management services for both the City of Auburn and the City of Federal Way

Director Heineman presented Resolution No. 4578. The resolution authorizes an interlocal agreement with the City of Federal Way for a Resource Conservation Manager position. A portion of the position is grant funded through Washington State University and Puget Sound Energy. The first year of the position, the cities will contribute \$8,000 each, the second year the cities will contribute \$20,500 each, and the third year each city will contribute \$33,000. The position will be tasked with bringing about reductions in the expenditure of energy (electricity, natural gas, fuel oil), water, solid waste disposal, recycling and other utilities. Federal Way will be the prime employer and will bill Auburn for its share.

E. January Monthly Financial Report

Committee members reviewed the January 2010 Financial Report. Finance Director Coleman explained that the Finance Department will be reporting on a monthly basis. The report will also be available on the City's web site.

F. Ordinance No. 6299

An Ordinance of the City Council of the City of Auburn, Washington, amending Ordinance No. 6215, the 2009-2010 Biennial Budget Ordinance as amended by Ordinance Nos. 6226, 6246, 6278 and Ordinance No. 6285, authorizing amendment to the City of Auburn 2009-2010 Budget as set forth in Schedule "A"

Finance Director Coleman presented Ordinance No. 6299 which amends the 2009-2010 Biennial Budget (budget amendment number 5). The budget amendment's main focus is to carry forward capital expenditures and the corresponding revenues.

The amendment also includes: the Veterans Traveling Memorial Wall, Auburn Symphony contract, an increase in hotel/motel tax fund for the wedding show revenues not previously budgeted, reduction in revenue and expenditures for the golf course, and adjustments due to the reduction in force in December 2009.

G. Bad Debt Write-off

Finance Director Coleman presented information on bad debt write-off. Following a review of the aged receivable balances for both utilities and miscellaneous accounts receivable, the following

amounts are scheduled for bad debt write-off: \$32,341.01 in utility accounts; \$116,727.50 in miscellaneous accounts receivable (primarily parking citations and property damages); \$3,040 in false alarm fees; \$51,400 in bankruptcies. The bad debts are for accounts that are greater than six months old.

H. Ordinance No. 6301

An Ordinance of the City of Auburn, Washington, imposing the Local Sales and Use Tax to be credited against the State Sales and Use Tax for purposes of utilizing Local Revitalization Financing under Chapter 39.104 RCW; and providing for other matters properly relating thereto

Finance Director Coleman presented Ordinance No. 6301. The ordinance levies .03% sales tax credit against the state sales tax for local revitalization financing.

V. ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 6:42 p.m.

APPROVED THE _____ DAY OF APRIL 2010.

Nancy Backus, Chair

Danielle Daskam, City Clerk